

**United States Environmental Protection Agency
Criminal Investigation Division
Investigative Activity Report**

Case Number

0605-M578

Case Title:

Gulfport Energy - West Cote Blanche Bay

Reporting Office:

Baton Rouge, LA, Resident Office

Subject of Report:

Meeting with U.S.Coast Guard personnel in Morgan City, La

Activity Date:

March 28, 2012

Reporting Official and Date:

██████████, ASAC

30-MAR-2012, Signed by ██████████, ASAC

Approving Official and Date:

██████████ (b) (7)(C), (b) (6), SAC

01-APR-2012, Approved by ██████████ (b) (7)(C), SAC

SYNOPSIS

The Baton Rouge Resident Office is conducting an investigation into allegations produced waters and oil were discharged into Cote Blanche Bay, a water of the U.S., without a permit.

On March 28, 2012, Special Agent ██████████ (b) (7)(C), (b) (6) and LDEQ Investigator ██████████ (b) (7)(C), (b) (6) met with U.S. Coast Guard personnel at the offices of the Marine Safety Unit in Morgan City, Louisiana. Details of the meeting are discussed in the following narrative.

DETAILS

On March 28, 2012, Special Agent ██████████ (b) (7)(C), (b) (6) and LDEQ Investigator ██████████ (b) (7)(C), (b) (6) arrived at the U.S. Coast Guard (USCG) Marine Safety Unit located at 800 David Drive in Morgan City, Louisiana. SA ██████████ (b) (7)(C), (b) (6) and Inv ██████████ (b) (7)(C), (b) (6) met with the following USGC personnel: ██████████ (b) (7)(C), (b) (6), ██████████ (b) (7)(C), (b) (6), and ██████████ (b) (7)(C), (b) (6).

██████████ (b) (7) said ██████████ (b) (7) was contacted by ██████████ (b) (7)(C)

██████████ (b) (7) Based on this information, USCG personnel ██████████ (b) (7)(C), (b) (6) conducted an inspection on March 18, 2012, which revealed some produced water was diverted or unable to be sent to the injection well lines due to inadequacies of the pumps. As a result, these produced waters were sent to an overboard “sump” by way of a pipe connected directly from one of the saltwater storage tanks.

The sump consists of a large pipe placed vertically in the water. USCG learned there is an opening/hole in the pipe where it meets the ground allowing for the discharge of any water sent to the sump. The sump has a small diaphragm pump on top to allow for the removal of oil that accumulates on top. The water level of the sump remained level with the water of the lake during the inspection.

On the previous inspection in 2011, which was attended by ██████████ (b) (7)(C), (b) (6) and EPA Inspector ██████████ (b) (7)(C), (b) (6), the pipe in question was in place but not connected (vertical pipe to sump had been removed). ██████████ (b) (7)(C), (b) (6) opined that was because the Gulf Energy received notice the inspection was to take place and allowed them time to remove the pipe connection, which was further confirmed by the confidential source.

Two pipes draining storm water from the surface of the platform are also directed to the sump. At

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least three (3) spills containing a sheen of suspected oil where observed during the inspection, leading USCG personnel to believe the site is under manned and with the lack of automated shut offs, likely has spills often. These spills land on the surface of the platform to mix with storm water, etc.

Evidence of oil was on the grate covering the sump. This was either due to an overflow of the sump or from spills discharged to the sump. (b) (7)(C), (b) (6) is Gulf Energy's production supervisor and stated to USCG the pipe had been locked out in response to the Administrative Order.

(b) (7)(C), (b) (6) provided SA (b) (7)(C), (b) (6) and Inv (b) (7)(C), (b) (6) with various documents related to the March 18, 2012 inspection and Gulfport Energy's West Cote Blanche Bay facility. These documents are attached to this report.

ATTACHMENT

USCG Documents